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DISTRIBUTION CENTER  
**NETWORK PLUS**  
Business Communicating™

VIA FACSIMILE

Blanca S. Bayo, Director  
Division of Records & Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

011494-TX

Dear Ms. Bayo:

The purpose of this letter is to advise you that Network Plus Corp. and certain of its subsidiaries, including its operating subsidiary, Network Plus, Inc. (collectively, "Network Plus"), filed a petition yesterday under Chapter 11 of the United States Bankruptcy Code. The Company is in current discussions with its existing secured bank lenders to obtain debtor-in-possession financing to enable the Company to continue to operate while it seeks to conduct an auction to find a buyer for its business. The Company is also seeking from its secured bank lenders the right to use cash collateral. If the Company is unable to timely identify an acceptable Buyer or is unable to work out acceptable arrangements with its secured bank lenders and other creditors, the Company will seek to keep operating for as long as possible while it explores all alternatives, and will make every effort within its means to assure adequate customer notice in the event of a discontinuance of service.

Network Plus operates a telecommunications network that allows Network Plus to provide local telephone services, long distance services, high speed data services, ISP services and web and data hosting services to small and medium business customers. In the State of Florida specifically, Network Plus provides telecommunications services to approximately 17,297 customers.

Network Plus, like so many carriers, has been affected by the problems besetting the entire competitive telecommunications industry. As with other competitive providers, the changed expectations of investors have resulted in a dramatic decline in the price of Network Plus' stock and reduced access to capital. Although the Company was EBITDA positive in the Fourth Quarter of 2001, it recently became clear that Network Plus' efforts to meet its business plan, to develop and expand its network infrastructure, product offerings and information technology systems, and to continue to increase the number of local and long distance lines that it provided to customers were not enough to meet the short-term financial requirements of certain of its lenders. It is hoped that Chapter 11 will give Network Plus the opportunity to reorganize its debt and capital structure under court supervision and, it is hoped, to obtain a buyer of its operations, thus enabling continued service to customers and competition in the marketplace.

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Attached to this letter is a copy of a press release issued today. Further information can be found at <http://www.networkplus.com>. As discussed in the press release, Network Plus will evaluate potential investors as well as a Court-approved auction process. The terms and conditions of any such potential investment(s) are not clear at this time. Network Plus will provide such notice or obtain such approval as may be required in connection with any resolution reached by the Company.

If you would like to discuss this matter in greater detail, please do not hesitate to contact me at (781) 473-2977 ([lkorner-butler@nwp.com](mailto:lkorner-butler@nwp.com)) or James Crowley at (781) 473-2255 ([jamescrowley@nwp.com](mailto:jamescrowley@nwp.com)). You may also contact our outside counsel, Jean Kiddoo and Kathleen Greenan of Swidler Berlin Shereff Friedman, LLP, at 202-424-7834.

Very truly yours,



Lisa Butler

Vice President Regulatory and  
Industry Relations

Network Plus, Inc.

Attachment

cc: James J. Crowley, Network Plus, Inc.  
Jean L. Kiddoo, Esq.  
Kathleen L. Greenan, Esq.